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Hon. Laura Taylor Swain

U.S.District Court S.D.N.Y.

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New York,N.Y. 10007

My name is Stephen T. Mangiaracina.I recently sent you emails on behalf of my family,regarding the above on August 10,2018, August 7, 2018,June 27, 2018,June 15,2018 and May 17, 2018. I also copied to the Court correspondence sent to the Willke Farr & Gallagher, LLP on June 2, 2018.

I recently read Barron's (Aug, 10, 2018) Caribbean Business MSC (Aug 8,2018) reporting the Oversight Board release in part stating the Oversight Board for the government of Puerto Rico reached an agreement with debt holders to restructure the Commonwealth's Cofina bonds..... The consensual deal with all Cofina bondholders proves the Board's and Government's commitment to reach consensual agreement to Puerto Rico's debt whenever possible.FOMB director Natalie Jaresko said in a statement.... Under the agreement, the bondholders of senior and junior bonds will exchange the current notes for new senior lien notes backed by 54% of a 5.5 sales tax....

....Senior bond holders will receive 93 cents on the dollar,with an additional 2 cents for being in the negotiating group. Junior bondholders will receive 56.4 cents on the dollar.Good news for Puerto Rico is good news for three bond insurers. The losses The senior Cofina bonds held by MBIA (ticker),Ambac Financial Group(AMBC) and Assured Guaranty(AGO) will be "modest" wrote Harry Fong at MKM Partners but are likely to be "very close" to what the bond insurers estimated in their loss reserves as of June 30....Shares of the three companies climbed Thursday.... The key point today is that the Oversight Board, Puerto Rico and bondholders have come to an agreement on one of the territory's debts,Fong wrote...

The Caribbean BusinessMCS news release is similar.

San Juan- In separate releases,Puerto Rico's Financial Oversight and Management Board and the governor both announced that the Board-as representative of the Puerto Rico Sales Tax Financing Corp.(Cofina by the Spanish acronym)in the bankruptcy-like process under Title III of

the Puerto Rico Oversight Management and Stability Act(Promesa)-the government and a number of bondholders reached a deal to restructure the instrumentality debt.

"The agreement in principle" reached with senior and junior bondholders and monoline insurers includes new Cofina securities,under "terms that are aligned with the fiscal reality of Puerto Rico" according to the release issued by the office of Gov.Ricardo Rossello....

The agreement in principle is the product of a mediation process ordered by Judge Laura Taylor Swain.and led by Judge Barbara House and her team of mediating judges.

In the Board's release Executive Director Natalie Jaresko wrote that the "objective has been to achieve a debt restructuring agreement with all COFINA parties consistent with the agreement in principle reached by the agents for the COFINA and Commonwealth,the terms of which were announced on June 7, 2018 and we believe the agreement has honored that goal.

The court agreed with the proposed protocol to settle the dispute over the 5.5 percent sales & use tax. The designated Cofina agent is Belina Wyhte and the commonwealth agent is Luc Despina, who represents the Unsecured Creditors Committee(UCC) in Title III proceeding,of which bondholders are members....

....In a statement the Cofina Senior Bondholders Coalition said: This agreement between the Oversight Board and a substantial number of Cofina senior and subordinate creditors marks a major milestone for Puerto Rico on its road to recovery. The terms lay the groundwork for future capital markets access,equitable recoveries and the resumption of restructured cash interest for all bondholders,including a large cross-section of local retirees and individuals.Importantly,the deal also reduces Puerto Rico's debt by approximately \$7 billion ,preserves access to low-cost securitizations and increases the Commonwealth's FY2019 sales tax revenue by more than \$360 million.

In my August 7,2018 letter to you, I noted " In a business setting what the Oversight Board is doing,through its Agents would be defined as tortious interference with contract.

After reading the releases,I see i was too kind. It now appears to be a criminal enterprise to conspire to take what is now owned by the Cofina junior bondholders and attempting to legitimize the taking by getting the Court to sign off on it.

First, the independent corporation Cofina is not now in Title III bankruptcy. The issue on motion submitted to you on April 10,2010, by the Unsecured Creditors Committee as Agent of the Oversight Board as representative of the Oversight board, and Bettina Whyte as Agent of the Oversight Board as representative of Cofina, is to determine whether it belongs in the Commonwealth's Title III bankruptcy.Both sides submitted opposing advisory briefs to you on the motion for summary judgment to this Court .This convoluted set up was necessary because the Oversight Board claimed it wanted to remain neutral.

About a month after submission, I called Willke Farr and spoke with the primary drafter of the motion, arguing the formation of Cofina by the Commonwealth's legislature with the consent of the executive branch did not violate Puerto Rico's Constitution. He graciously helped me find the submission. I called him back to say he turned out some of the finest papers I ever read. The Cofina legislation is supported by so much case law from many other states' highest courts that ruled on similar issues in favor of such legislation, The courts deferred to a state's legislature, The Commonwealth legislature in establishing Cofina did what these other states did .

Although I still had doubts about the Oversight Board due to its overlapping relationships, I felt very good, after reading the motion papers, there would be a favorable ruling that Cofina would not be going into the Title III bankruptcy. If Cofina wins so do its bondholders since, although not a named party, we are a very interested one. This was until I learned the Oversight Board assigned both Agents to work on a "settlement" before this Court had ruled.. The Oversight Board then showed its true colors that it was not neutral at all.

As I stated before, a government entity cannot act or disavow its own duly passed laws, The Oversight Board is doing that because it now sits in the Commonwealth's shoes. Here the legislation was passed over 10 years ago establishing Cofina, This is very prejudicial to the Cofina bond holders. The Oversight Board is thus indicating to the Court it wants to avoid a decision which it believes will be unfavorable to it. It also takes with it the Willke Farr law firm, after it wrote and submitted winning motion papers to the Court, to help negotiate with the unsecured creditors, Willke Farr should have refused and I said so. Does this encourage the Court to ignore their winning papers and let the motion die. The Oversight Board is now sending out self serving joint press releases, about the recent claim of settlement :as to whether if Cofina is part of the Title III bankruptcy is of no concern, because it is a fait accompli. Various participants claim what a great accomplishment the "settlement" is, about how great it is for Puerto Rico and so many others. I do not mean any disrespect, but are they trying to scare you off from some unfinished business like a decision or if you did render a decision, because of the pressure, it would most likely go against Cofina .?

Even though it is doing so without a legal basis, it is also shutting the Cofina junior bondholders out of negotiations. It is clear from the news releases placed by the Oversight Board that the juniors were not represented in the "agreement" negotiation. One Agent represented the unsecured creditors, with the help of the institutional holders representative and the insurance carrier's representative insuring the senior Cofina bonds

The 2 cents on the dollar given to senior bond holders to cover their legal expenses for being in the negotiating group. The junior bond holders were not awarded this because we were not included. at the table.

Senior bond holders have a priority over juniors only if Cofina were to default. Here Cofina has enough money to meet all its obligations to both seniors and juniors. If the juniors were at the table, the response would be that "we get what you get or we are out of here".

The lack of our presence allowed the senior Cofina's to get for all practical purposes payment in full without the court making a decision as to whether Cofina goes into the Title III bankruptcy. The insurance carrier guarantor for the seniors had its loss exposure reduced because of what was taken from the absent juniors,

The notice that was given in the Caribbean Business MCS release, given by the Financial Oversight and Management Board, states "In a statement, the Senior Bondholders Coalition said " This agreement between the Oversight Board and a substantial number of COFINA senior and subordinate creditors marks a major milestone for Puerto Rico on its road to recovery" Why use the term subordinate rather than junior ?

I understand there is another request for an extension before you make a decision. This time 60 days so they can present some agreement to you.. Wouldn't it be something if their thinking is presentation of a fully executed settlement document for you to sign off on and they also have an order for you to sign addressing your decision on the motion now before you since its submission on August `10, 2018.

Did the Oversight Board pull a bait and switch to gain total control over the Title III bankruptcy issue and Cofina? In claiming neutrality, appointing two Agents, one for the unsecured creditors and one for Cofina, with each to brief and argue one side of the motion, the Oversight Board has been able to view the submissions to the Court and determine that the unsecured creditors would lose and Cofina would remain independent to meet its original obligations to its bondholders. So with no intention of waiting for this decision, it went into

" settlement mode" where it now controls both sides to get a desired outcome which if approved, it will ripoff the Cofina junior bondholders

The Oversight Board and the unsecured creditors, with the "settlement" terms that have now been published, have thus admitted that Cofina was validly created by the Commonwealth legislature. The plan is to have Cofina continue to exist, This is an admission that the legislature did not violate Puerto Rico's constitution in creating Cofina.

This is an excerpt from your hearing on April 10, 2018⁹ as reported by Nick Brown, Edited by N. Ziemiński ;

Stancil and other GO side lawyers said debt is senior to all obligations.

GO holders have the first claim on " available sources.

Stancil said and it can't just be assumed away that

available resources means whatever the legislature

says"

" it's up to the court to define,'he said.

Judge Swain had pointed questions,though,

How she asked Stancil " Is the court in position

to determine whether babies should eat or traffic lights

fixxed before bondholders get paid?

Swain also noted that Puerto Rico's constitutional debt limit

only applied to debt backed by Puerto Rico's full faith and credit,

such as GO debt.

It could have been written to encompass all debt,she said

but it wasn't written that way"

I believe after hearing you,is when a firm decision was made, by the Oversight Board and the unsecured creditors,to act quickly to entertain "settlement" even though there is no authority to do so.without a decision and order by you.They saw the handwriting on the wall and believed then and now that they will lose.It is clear you were referring to the Cofina bondholders waiting to be paid.

In speaking with insiders to the proposed "settlement" that, while the goal is have it completed by the end of the year,that is not likely and normally in these situations interest will not be paid,before a decision and order by the Court.

Cofina junior bondholders should not be forced into an unsecured creditor class subject to majority votes and the actions of others beyond our control,so as to help Puerto Rico out of bankruptcy and reduce the loses of the unsecured creditors and others.

The unsecured creditors filed a claim stating Cofina should be in Title III bankruptcy, submtted briefs and argued in a proceeding before you on April 10, 2018 when the motion was submitted for a decision on the merits and then,instead of waiting for that decision, the Oversight Board quickly began "settlement" machinations; sent out self serving press releases, along with input from other participants stating how great this all is for Puerto Rico, claiming success while inferring that Cofina is already in Title III bankruptcy.It was wrongful to ever begin going down this road so as to deny Cofina junior bondholders,such as my family, the due

process of a decision on the merits by you,before our money is taken from us.

Just our rejection of what is going on is sufficient to stop this take over attempt of Cofina, which is in effect a takeover of Cofina junior bond holders' property.

I believe there are grounds for a referral to the Department of Justice for investigation.This will not go away.

I respectfully ask the Court to render a decision and remove the stay sua sponte.Thank you.

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